
Introduction

This audit report is the result of our financial-compliance audit of the Montana Arts Council for the two fiscal years ended June 30, 2005. The recommendations in this report are related to noncompliance with state law pertaining to procurement and travel documentation requirements, and accurately recording information on the state's accounting records.

We issued an unqualified opinion on the financial schedules contained in this report. The reader may rely on the financial information presented in the financial schedules and the supporting data on the state's accounting system.

The listing below serves as a means of summarizing the recommendations contained in the report, the department's response thereto, and a reference to the supporting comments.

Recommendation #1

We recommend the council comply with state sole source procurement requirements. 4

Council Response: Concur. See page B-3.

Recommendation #2

We recommend the council obtain sufficient documentation for travel expenditures paid, as required by state travel policy..... 5

Council Response: Concur. See page B-3.

Recommendation #3

We recommend the council classify expenditures in accordance with state accounting policy. 5

Council Response: Concur. See page B-4.